



CAE awarded civil aviation training solutions contracts valued at approximately C\$120 million including seven full-flight simulators

Montreal, Canada, July 8, 2014 – CAE today announced that it has signed contracts for civil aviation training solutions including seven full-flight simulators (FFSs), a series of training devices as well as simulator update services to customers in North America, Asia, the Middle East and Eurasia. The contracts include the sale of:

- one Bombardier* Challenger 350* FFS to **Bombardier Aerospace**,
- three B737-900ER and one ATR72-600 FFSs to **Lion Air**,
- one Airbus A320 FFS to **Middle East Airlines**,
- one Boeing 777 FFS to **Turkish Airlines**, and
- major A320 simulator update services to **Air France**

The contracts are worth a total of approximately C\$120 million at list prices. List prices include the value of OEM aircraft-specific data, parts and equipment (DP&E), normally procured by CAE in the manufacture of its simulators. In the case of these contracts, some customers are providing part of the OEM content. These sales bring to eleven the sales announced by CAE in its first quarter of fiscal year 2015, which started April 1, 2014.

“Our customers expect innovative, high quality training solutions and a best-in-class customer experience to meet their pilot training needs, and we are proud to be their partner of choice as they continue to expand their fleets,” said Nick Leontidis, CAE’s Group President, Civil Simulation and Training. “We value the trust and confidence that Bombardier, Lion Air, Middle East Airlines, Turkish Airlines and Air France place in CAE.”

Bombardier Aerospace

Bombardier Aerospace expanded its long-term relationship with CAE with the purchase of a CAE 5000 Series full-flight simulator reproducing the new Bombardier* Challenger 350* business jet. The new Challenger 350 aircraft simulator will be delivered to Bombardier’s Training Centre in Montreal in the summer of 2015. Bombardier has purchased 14 simulators from CAE since 2000. CAE is Bombardier’s Authorized Training Provider on a variety of business jet aircraft since 2007.

“CAE’s suite of products has performed consistently within our training centres and we are proud to continue expanding our offering,” said Leon Botteron, General Manager, Bombardier Aircraft Training. “CAE’s expertise and flexible solutions complement our OEM-designed training curriculum to enhance safety and efficiency for aircraft operators.”

Lion Air

Lion Air, Indonesia’s leading domestic airline, has purchased four full-flight simulators: three Boeing B737-900ER and one ATR72-600. The contract includes options for four additional simulators. The Boeing simulators are CAE 7000XR Series models, the ATR is a CAE 7000 Series, and they are equipped with the latest generation visual system, the CAE Tropos-6000XR. The first B737 FFS will be delivered to the Lion Air Training Centre at Soekarno-Hatta International Airport, Jakarta, Indonesia in February 2015 and the ATR FFS will be delivered in July of the same year. Lion Air purchased four full-flight simulators from CAE in 2013 and three in 2010. The airline has been a CAE customer since 2007.

"We are happy to continue to grow our relationship with CAE and provide our crews with the highest-level training equipment," said Rusdi Kirana, CEO of Lion Group. "The quality of training our pilots receive in CAE simulators enhances both the safety of our passengers and efficiency of our operations."

Middle East Airlines – Air Liban (MEA)

Middle East Airlines – Air Liban (MEA) has purchased from CAE an Airbus A320 full-flight simulator, as well as a suite of training devices including one A320 Airbus Pilot Transition trainer (APT), one A330 APT and a CAE Simfinity A320/A330 Virtual Simulator classroom trainer. The A320 full-flight simulator is CAE's latest model, the CAE 7000XR Series. It will be delivered and installed in the new MEA Training Centre in Beirut, Lebanon and will be ready for training at the beginning of March 2015.

"Safety is our number one priority, that's why we selected the highest quality and fidelity simulators for our pilot training programs," said Mohamad El-Hout, Chairman - Director General of MEA. "We always had good relations with CAE, the world leader in flight simulation technology and crew training, and I am very glad to strengthen these ties through our new partnership with CAE, whose significance will be reflected in the performance of MEA's new Regional Training and Conference Center".

At the signing ceremony, CAE's President and CEO, Marc Parent, said: "We are delighted to welcome Middle East Airlines to our growing list of customers in the region, we really appreciate the trust and confidence they are placing in CAE for this. We view our CAE 7000XR Series full-flight simulator as the new industry benchmark and we are happy to provide MEA with innovative, high quality training solutions and a best-in-class customer experience to meet its growing pilot training needs. It is the first step towards a growing relationship with MEA in its newly established state-of-the art Training Center in Beirut, which will be followed by further cooperation on various aspects."

Turkish Airlines

Turkish Airlines has purchased a Boeing 777 full-flight simulator. The simulator is a CAE 7000 Series model and it will be delivered to the Turkish Airlines Flight Training Centre at Istanbul International Ataturk Airport in December 2014. Turkish Airlines has been a CAE customer since 1997 and has already purchased five CAE simulators.

"We have a very efficient cooperation with CAE for all our training needs," said Sedat Şekerci, SVP of Flight Training of Turkish Airlines. "Over the years we have leveraged a variety of CAE's products and services to support our continued growth, from cadet training and type-rating to pilot sourcing and purchasing our own simulation equipment."

Air France

Air France has ordered major simulator update services for an Airbus A320 full-flight simulator located in Paris, France. The simulator cockpit will be updated to reflect Airbus Standard 1.8, the interface and motion system will be updated with CAE's latest state-of-the-art technology, and the visual system will be updated to the latest generation CAE Tropos 6000XR visual system. The simulator will be ready-for-training in mid-2015.

"Thanks to CAE's update services, we are bringing our training equipment to the latest technology standards and maximizing training value, while being cost-effective," said Gilles Compagnon, Deputy Vice President Flight Crew Training, Air France.

About CAE

CAE is a global leader in providing comprehensive training solutions based on world-leading simulation technology and integrated training services. The company employs 8,000 people at more than 160 sites and training locations in 35 countries. Our vision is to be our customers' Partner of Choice and we take a long-term approach to customer relationships. We offer our civil

aviation and defence and security customers a complete range of highly innovative product, service and training centre solutions designed to help them meet their mission critical needs for safety, efficiency and readiness. We provide similar solutions to customers in healthcare and mining. CAE has the largest installed base of civil and military flight simulators, supported by a range of after-sales services, and has been serving the needs of its customers for nearly 70 years. We have the broadest training services network in the world and offer civil aviation, military and helicopter training services in 67 locations worldwide and train more than 120,000 civil and military crewmembers annually. www.cae.com

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